NATIONAL DAIRY MARKET AT A GLANCE

At the Chicago Mercantile Exchange (CME), Grade AA butter increased 14 1/2 cents to $1.4900, Grade A increased 14 3/4 cents to $1.4000, and Grade B increased 14 cents to $1.3800. Also at the CME, barrel cheese decreased 4 1/4 cents to $1.2000 and 40# blocks decreased 5 1/2 cents to $1.1950. Since April 2, the barrel price is down 6 cents and the block price is 15 1/2 cents lower.

The March 1998 Consumer Price Index (CPI) for all food is 159.7, up 2.0% from March 1997. The dairy products index, at 148.4, is 1.6% higher than a year ago. The March to March changes in selected dairy products are: fresh whole milk +2.2%, cheese +1.4%, and butter +12.9%.

According to NASS, U.S. cold storage holdings of butter on March 31, 1998 total 56.2 million pounds, 27.2% heavier than February and 11.8% more than March of last year. Natural American cheese holdings total 422.6 million pounds, 2.9% higher than last month and 7.7% more than March 1997.

According to USDA, AMS, during March, about 9.9 billion pounds of milk were marketed under Federal orders. Producer deliveries were about 0.2% less than March 1997, and about 1.1% more than February 1998 on a daily average basis. Milk utilized in Class I products in March was 2.2% more than last year on an adjusted basis. Class I use this year represented 37% of producer milk deliveries compared to 45% in February 1997. The average blend price was $14.18 per cwt., $0.79 more than last year. Changes in class prices from year-earlier levels were: Class I, up $1.31; Class II, up $1.31; Class III, up $0.32; and Class III-A, down $0.10.

The East is awash with milk, attributed to milder weather, the availability of moderately priced feed, and by higher milk prices. Surplus milk is being shipped to the Upper Midwest to find processing capacity. Florida production remains strong and, this week, handlers shipped more than 100 loads out of state for processing. Output is seasonally higher in most other areas of the country. Production in the Midwest is increasing with some areas slower than others. Many manufacturing plants are receiving distressed milk as low as $8.00 and are stretching plant capacity. Areas of California are rebounding from weather related losses, but the effects are keeping many producers' output at or below 1997 levels. Arizona production is at or near seasonal peaks, but those levels are also below 1997. Cream offerings are available for all needs. Multiples are steady. Cream demand is good from both ice cream producers and butter makers.

The dry product markets are little changed this week. Nonfat dry milk prices are steady . The market has settled around the support price in all regions and multi load offerings are available at or below the support price of $1.0280. Spot demand remains light. Producers find that moving NDM between regions is difficult with competitively priced product available locally. Nonfat usage is lower among cheese makers due to the weaker cheese markets and the availability of low-cost milk and condensed skim. Buttermilk prices are unchanged and demand is limited in all regions. Whey prices are steady to higher and continue to trend stronger in the West. Offerings are tighter in the Midwest following recent large volume sales of whey by producers. Western supplies are in good balance and prices are higher. Domestic and export demand are clearing current offerings. The whey protein concentrate prices are unchanged, but the market tone is unsettled. Additional loads of edible and off-grade product are being offered on the market. Lactose prices are steady with current production matching demand.

During the week of April 20 - 24, CCC net purchases totaled 4,530,117 lbs. of NDM under the price support program from Central and Western sources.

****SPECIAL THIS ISSUE**
1997 DAIRY MARKET STATISTICS ORDER FORM (BLUE SHEET)
CONSUMER PRICE INDEX (PAGE 2)
FEDERAL MILK ORDER PRICE AND POOL HIGHLIGHTS (PAGES 7-8)
MARCH COLD STORAGE HOLDINGS (PAGE 9 - 10)

BUTTER MARKETS

CHICAGO WHOLESALE

Dollars per pound, trucklot, bulk in fiber boxes, delivered metropolitan area, prices include CCC purchase price whenever bulk butter is moving to CCC from the Midwest area.

GRADE	APRIL 21	APRIL 23	APRIL 24
AA	$1.3350 - 1.3450	$1.3350 - 1.3450	$1.3350 - 1.3450
A	$1.2425 - 1.2525 (.0025) (.0025)	$1.2425 - 1.2525	$1.2425 - 1.2525

( ) Change from previous price.

BUTTER HIGHLIGHTS: In cash trading at the Chicago Mercantile Exchange, all grades of bulk butter are sharply higher. Butter markets are firm. Churning schedules are seasonally active, although stock levels are lighter than many handlers desire. Buyers are looking beyond local suppliers and finding that asking prices for available stocks are higher. Outside of inventory building, overall buyer interest is fair at best with most sales occurring for short term or immediate needs.

CHEESE MARKETS

WISCONSIN ASSEMBLY POINTS

Dollars per pound, standard moisture basis (37.8-39.0%), carlot/trucklot, F.O.B. plants or storage centers, prices include CCC purchase price whenever cheese is moving to CCC from the Midwest area.

CHEDDAR STYLES	APRIL 20 - 24, 1998
BARRELS*	$1.2325 - 1.2625 (NOMINAL) (-.0175) (-.0175)
40# BLOCKS	$1.2500 - 1.2800 (NOMINAL) (-.0500) (-.0500)

( ) Change from previous week. * If steel, barrel returned.

CHEESE HIGHLIGHTS: The cheese market remains weak. At the Chicago Mercantile Exchange, barrels declined 4.25 cents to $1.2000 and 40 pound blocks declined 5.5 cents to $1.1950 in light trading. The second inverted spread (barrels higher than blocks) of 1998 continues to fuel thoughts of additional adjustments. Demand is generally slow following recent price declines. Cheese and milk production are seasonally heavy. Milk is being moved greater distances in order to find manufacturing space.

CHICAGO MERCANTILE EXCHANGE

BUTTER TRANSACTIONS ON FRIDAY, APRIL 24, 1998

(CARLOT UNIT = 40,000 - 42,000 LBS.)

GRADE	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION - LST		
AA	+.1450	$1.4900	SALE	04/24/98
A	+.1475	$1.4000	BID	04/24/98
B	+.1400	$1.3800	BID	04/24/98

SALES: 16 CARS GRADE AA: 1 @ $1.4025, 1 @ $1.4100, 1 @ $1.4300, 1 @ $1.5000, 1 @ $1.4300, 1 @ $1.4875, 1 @ $1.4400, 1 @ $1.4550, 1 @ $1.4475, 1 @ $1.4450, 1 @ $1.4575, 1 @ $1.4600, 1 @ $1.4625, 2 @ $1.5000, 1 @ $1.4900 (LST)

BIDS UNFILLED: 12 CARS GRADE AA: 2 @ $1.4700, 1 @ $1.4675, 1 @ $1.4500, 1 @ $1.4450, 1 @ $1.4400, 1 @ $1.4225, 1 @ $1.4025, 1 @ $1.3750, 3 @ $1.3450

7 CARS GRADE A: 1 @ $1.4000 (LST), 1 @ $1.3800, 1 @ $1.3550, 1 @ $1.3525, 2 @ $1.3500, 1 @ $1.2800

2 CARS GRADE B: 1 @ $1.3800 (LST), 1 @ $1.3000

OFFERS UNCOVERED: 3 CARS GRADE AA: 2 @ $1.5500, 1 @ $1.6000

CHEESE TRANSACTIONS ON THURSDAY, APRIL 23, 1998

(CARLOAD UNIT = 40,000-44,000 LBS.)

CHEDDAR STYLES	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION		
BARRELS	-.0425	$1.2000	SALE	04/23/98
40# BLOCKS	-.0550	$1.1950	OFFER	04/23/98

SALES: 2 CARS BARRELS @ $1.2000 (LST)

6 CARS 40# BLOCKS: 1 @ $1.1975, 1 @ $1.2000, 1 @ $1.1975, 1 @ $1.2000, 1 @ $1.1925, 1 @ $1.1975

BIDS UNFILLED: NONE

OFFERS UNCOVERED: 1 CAR BARRELS @ $1.2425

11 CARS 40# BLOCKS: 1 @ $1.1950 (LST), 1 @ $1.1975, 3 @ $1.2000, 3 @ $1.2475, 3 @ $1.2500

PRINT BUTTER MARKETS - GRADE AA

NORTHEAST

Prices are unchanged and the market tone is unsettled. For the past couple weeks, many contacts have been expecting butter prices at the CME to drop. They have not and, in fact, Grade A was up fractionally on the April 17 market. Contacts don't know what signals the increase is sending, but they are still quite sure that butter prices will fall in the not-too-distant future. Demand for butter is slow to fair. There is little interest beyond normal weekly volumes. Production levels are moderate to heavy as milk and cream supplies are more than ample. Retail sales are seldom better than slow unless featured.

WHOLESALE PRICES: MIN 25 BOXES
DOLLARS PER POUND, DELIVERED EAST COAST CITIES

1/4 LB. PRINTS	:	1.5550-1.8025
1 LB. PRINTS	:	1.4700-1.6525
CHIPS/PATTIES	:	1.5325-1.7400
REDDIES	:	1.6075-1.8025
CONTINENTALS	:	1.6875-1.8625

CENTRAL

Central States print butter prices remain unchanged, although the market tone remains mixed. Many traders were surprised to see Grade A butter increase in cash trading at the Chicago Mercantile Exchange. Most are unsure as to the direction of current markets. For the time being, many butter buyers desire a weaker market. Stocks of bulk and print butter are reported to be readily available. Cream volumes are sufficient to maintain active churning schedules, although competition from ice cream producers is starting. Milk volumes are heavier, thus cream volumes should be more available.

FOB CENTRAL STATES PLANTS: MIN 20,000 POUNDS, $ PER POUND

1/4 LB. PRINTS	:	1.4450-1.8525
1 LB. PRINTS	:	1.4100-1.5725
CHIPS/PATTIES	:	1.4350-1.6450
REDDIES	:	1.5200-1.7550
CONTINENTALS	:	1.6750-1.8650

WEST

No price changes are noted for Western print butter. Bulk butter is moving very well at prices from flat market to 4 1/2 cents under. Western butter manufacturers are somewhat surprised at the current strength they are seeing in the market. Buyers are looking for butter for current needs and not for storage. Many want the butter by tomorrow. Print butter is moving well at the retail level. Most contacts state that Easter related sales were quite good. Western stocks of butter are in very good shape. U.S. cold storage holdings at the end of March total 56.2 million pounds, up 11.8% from last year and up 27.2% from last month.

WHOLESALE SELLING PRICES: DELIVERED WESTERN CITIES
150 - 1000 POUNDS, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.6250-1.6925
1 LB. PRINTS	:	1.5550-1.6200
PATTIES	:	1.5975-1.7625
REDDIES	:	1.7225-1.7400

FOB CALIFORNIA PLANTS - GRADE AA
100 CASES AND UP, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.3400-1.3900

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
		:	
04/20/98	10,079	:	111,185
04/01/98	9,869	:	112,654
CHANGE	+210	:	-1,469
% CHANGE	+ 2	:	-1

NASS CHEDDAR CHEESE PRICE SURVEY

	40# BLOCKS			640# BLOCKS	BARRELS (adjusted to 39% moisture)		
WEEK ENDING	MN/WI	WEST	U.S.	U.S.	MN/WI	OTH STATES	U.S.
	1.3243	1.2909	1.2985	1.3322	1.2702	1.2357	1.2500
APRIL 17	636,545	4,521,474	5,360,424	658,764	3,564,922	4,957,674	8,522,596

Further data and revisions may be found on the Internet at: http://usda.mannlib.cornell.edu/reports/nassr/price/cheddar/

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE 1/

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/
JAN 1998	159.9	2.2	148.3	0.3	145.6	-0.7	148.5	-0.5	124.7	13.2	148.3	-0.9
FEB 1998	159.4	1.9	147.7	1.0	146.3	1.6	148.3	-0.3	126.2	16.1	147.5	-0.9
MAR 1998	159.7	2.0	148.4	1.6	147.0	2.2	150.1	1.4	129.4	12.9	147.2	-0.4

U.S. City Average Retail Prices

Month	Whole Milk 4/		Lowfat Milk 4/		Butter 5/		Process Cheese 6/		Natural Cheese 7/		Ice Cream 8/	
	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997
	Dollars											
JAN	2.632	2.677	2.577	2.517	2.353	2.092	3.539	3.536	3.518	3.102	3.041	2.947
FEB	2.653	2.632	2.589	2.481	2.321	2.056	3.475	3.471	3.507	3.500	2.998	2.928
MAR	2.658	2.632	2.589	2.437	2.421	2.135	3.572	3.514	3.477	NA	2.969	2.920

* NA Not available. 1/ "CPI Detail Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. 2/ The standard reference base period for these indexes is 1982-1984 = 100. 3/ Percent change over previous year. 4/ Per gallon. 5/ Per pound. Grade AA, salted, stick butter. 6/ Per pound, any size and type of package. 7/ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). 8/ Per 1/2 gallon, prepackaged regular.

CHEESE MARKETS

NORTHEAST

Prices are lower on most process and natural cheddar items; unchanged on Swiss. The market tone is weak and contacts speculate on just how far cheese prices at the CME will drop. While prices are falling, most buyers are limiting purchases to normal weekly volumes or just enough to fill orders. No one wants to have inventories during a down market. Production levels are heavy as Eastern producers are faced with growing volumes of surplus milk. However, now that most schools are back from spring break/vacations, surplus milk volumes are down slightly. Retail and food service orders are slow to fair.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.3975-1.7325
Cheddar Single Daisies	:	1.3675-1.7375
Cheddar 40# Block	:	1.3875-1.5475
Process 5# Loaf	:	1.4525-1.6250
Process 5# Sliced	:	1.4725-1.6375
Muenster	:	1.4300-1.9550
Grade A Swiss Cuts 10 - 14#	:	2.2500-2.5050

MIDWEST

The cheese market is weak. At the Chicago Mercantile Exchange on April 16, barrels slipped 1.75 cents to $1.2425 and 40# blocks declined 5 cents to $1.2500. Barrels are currently 7.25 cents higher than the comparable week in 1997 at the National Cheese Exchange. Blocks are 5 cents above the comparable week last year and 10 cents above the 1997 low at the Chicago Mercantile Exchange. The lower prices last year, combined with increases in 1998 milk production, have some traders speculating that prices might decline further. Spot movement is light with most sales occurring for immediate needs. The lower prices are providing some buyers the opportunity to increase volumes used in aging programs. Process sales have, at least for a few producers, held up better than for many natural items, aided by the improving spring weather in some areas and limited food service promotions. Sales of specialty types such as reduced fat varieties have not struggled as much with sales as “regular” products. Plant inventories continue to build due to extended production schedules and offerings of “cheap” surplus milk.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.4975-1.6800
Brick And/Or Muenster 5#	:	1.6300-1.7225
Cheddar 40# Block	:	1.5150-1.9150
Monterey Jack 10#	:	1.7150-1.9150
Blue 5#	:	1.8575-2.1700
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6300-1.9150
Grade A Swiss Cuts 6 - 9#	:	2.2500-2.4850

WEST

Natural, Swiss, and process cheese prices all declined this week. Some contacts are noting that sales activity has not slowed much following the price declines of the past few weeks. Quite often buyers sit on the sidelines and use up stocks when the market falls this much this fast, but most buyers continue to purchase their regular weekly volumes. Cheese production is increasing seasonally across the region. Stocks of natural American cheese at the end of March total 422.6 million pounds for the U.S., up 7.7% from last year and 2.9% from last month. Swiss stocks, at 15.6 million pounds, are up 22.1% from last year.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.4375-1.6700
Cheddar 40# Block	:	1.4325-1.6500
Cheddar 10# Cuts	:	1.6675-1.7800
Monterey Jack 10#	:	1.6275-1.7500
Grade A Swiss Cuts 6 - 9#	:	2.3100-2.4000

FOREIGN TYPE

Prices on domestically made styles are lower again this week. The market tone is seasonally slow to fair. Demand for table cheeses is just fair and distributors report the orders are basically just for fill-in needs. Stocks are light to balanced for current needs.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

	NEW YORK	
VARIETY	IMPORTED	DOMESTIC
Roquefort	5.5000-6.8900	-0-
Blue	2.6400-3.1400	1.5850-2.1950*
Gorgonzola	3.2400-5.9400	2.2500-2.4950*
Parmesan (Italy)	TFEWR	2.9950-3.0350*
Romano (Italy)	2.0900-2.9000	-0-
Provolone (Italy)	3.4400-5.5000	1.2575-1.7850*
Romano (Cows Milk)	-0-	2.7825-3.0350*
Sardo Romano (Argentine)	2.6500-3.2900	-0-
Reggianito (Argentine)	2.6500-3.2900	-0-
Jarlsberg-(Brand)	2.7400-3.1200	-0-
Swiss Cuts Switzerland	-0-	2.2500-2.5050
Swiss Cuts Finnish	2.5900-2.8500	-0-
Swiss Cuts Austrian	2.2500-2.7500	-0-
Edam		
2 Pound	TFEWR	-0-
4 Pound	2.1900-3.0900	-0-
Gouda, Large	2.3900-3.1500	-0-
Gouda, Baby ($/Dozen)		
10 Ounce	27.8000-31.7000	-0-

* = Price change.

FLUID MILK AND CREAM

EAST

It is not a pretty picture out there. The East is awash with milk. Surpluses are reported from New England to Florida and handlers are searching for homes for their excess. Shipments of milk from the Northeast have gone to plants in Ohio, Michigan, Indiana, Minnesota, and Wisconsin. Milk from the Southeast and Florida continues to look for a home and destination states include those mentioned above plus the Dakotas. Milk production in Florida is holding at the peak. Mild weather is helping keep output from falling. Handlers in Florida have shipped or expect to ship more than 100 loads of excess milk out of state for processing. In the mid-South, heavy rains and tornados have left a wake of flooding and damage. Milk output and farm pick ups have not been affected to any great degree. Schools have been closed and bottled milk sales are way down. In the Middle Atlantic and Northeast regions, milk production is increasing but not yet at peak levels. Bottled milk sales are steady at generally slow levels. Many schools are on vacation this week, but some states' schools were back from vacation last week. Manufacturing plants are running at or beyond capacity. Many cannot handle all the milk and many loads, at distressed prices, are being shipped to plants that have room. Trucks are backed up waiting to unload at more plants. Any mechanical problems that occur only amplify the problem. Condensed skim offerings are burdensome. Some dryers can't keep pace with condensers so, like milk, condensed skim is often looking for a home. There is little new interest from Class II users and prices are steady to lower. Reports of distressed and/or Class III loads moving below 80 cents have been noted. Surprisingly, the fluid cream market is not as sloppy as the milk market. Don't be mistaken, there is plenty of cream, but multiples are holding fairly steady. Butter makers are offering lower multiples, but Class II multiples are basically unchanged. There doesn't seem to be the urgency to move cream that there is in the milk and condensed skim market. Ice cream production ranges from steady to slightly improved. Cream cheese output is about steady, but there were a few reports of producers not wanting extra loads of cream this week. Churning activity is heavy.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, $ PER LB BUTTERFAT

F.O.B. Producing Plants: Northeast	-	1.6533 - 1.8287	
Delivered Equivalent Atlanta	-	1.6032 - 1.8896	M 1.6408 - 1.7285
F.O.B. Producing Plants: Upper Midwest	-	1.7159 - 1.7786	

PRICES OF CLASS II CONDENSED SKIM, $ PER LB WET SOLIDS

F.O.B. Producing Plants: Northeast	-	.9400 - 1.1300

MIDWEST

WISCONSIN SPOT SHIPMENTS:	LOADS
APRIL 17 - 23, 1998	0
PREVIOUS WEEK	0
COMPARABLE WEEK IN 1997	0

Milk supplies are burdensome throughout the region and available manufacturing capacity for extra milk is limited. Sizeable milk volumes are arriving at upper Midwestern plants for processing from the East, South, and Southwest as alternative facilities have limited capacity or are already full. Several breakdowns of various lengths of time also cut into fluid volumes that some plants could handle. Spot milk prices are sharply lower at $1.00 under class/MCP falling to $2.00 under. Some sales at $8.00 and slightly below are noted for a number of loads under duress. For some sellers, the price is not as important as just finding a plant home. Class I sales were steady to often lower. Milk intakes are bouncing higher though some locations continue at the slow creeping pace. The cool temperatures have provided excellent milk producing conditions. Cream interest continues good and prices reflect the butter price increase on the Chicago Mercantile Exchange. Wet fields have limited field activities at many locations, though by midweek some lighter soils and/or higher locations allowed some progress to occur. Pastures, winter wheat, and alfalfa are greening up nicely.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APR 10-22	PREVIOUS YEAR
SLAUGHTER COWS	$ 35.00- 40.00	$ 39.00- 45.00
REPLACEMENT HEIFER CALVES	$120.00-165.00	$100.00-150.00

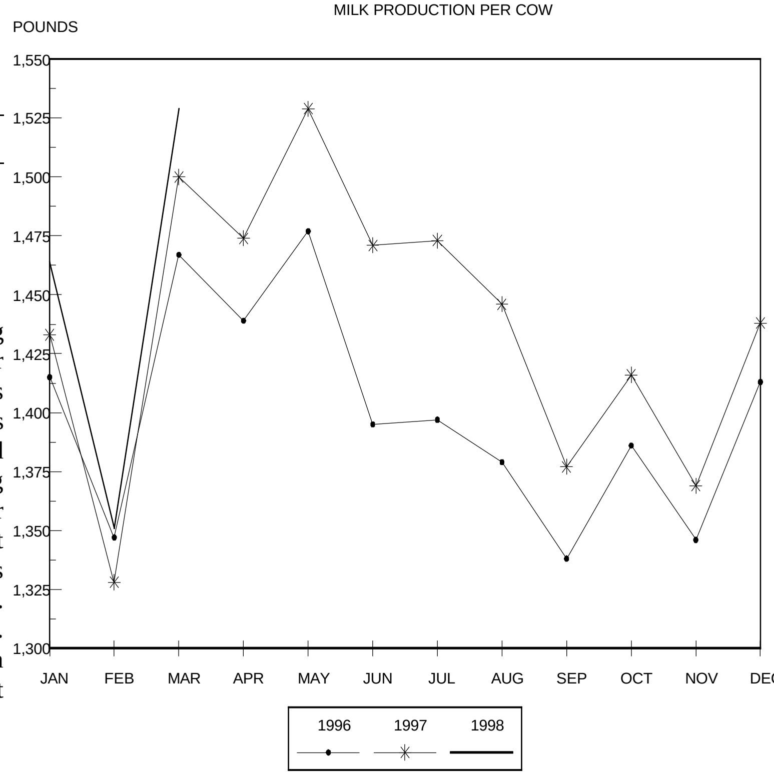
SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	APR 10-22	PREVIOUS YEAR
SLAUGHTER COWS	$ 36.00- 41.00	$ 39.00- 45.50

WEST

Hotter and dryer weather returned to many areas of California. Temperatures passed the 100-degree mark in the Imperial Valley and other parts of Southern California. Milk production is beginning to rebound in several areas, but is noted to be lower than 1997 for many producers. The dryer conditions are allowing for alfalfa harvesting to continue but there is concern about the number of acres that were affected by wet conditions earlier in the year. In addition, alfalfa producers are concerned about the delays affecting the number of crops they will be able to harvest this year. Hot weather is also affecting the milk producing areas of Arizona. Milk production is at or approaching seasonal peak levels for many dairy producers. However, milk output continues to be below 1997 levels. Cream demand is fair to good from butter makers and good from ice cream accounts. Multiples range from 132 to 140. The combination of warmer weather and longer days is leading to increased ice cream consumption. Butter demand is fair to good and food service orders steady to better. The spring milk flow in the Pacific Northwest is coming on quite strong. Conditions are warm and dry. Dairy producers are now able to better manage their pastures for better feed value. Hay fields are in good shape and harvest is expected a couple of weeks early. More offers are noted for old crop hay at declining prices. Feed prices are moderating and more buyers are contracting for future needs. Heifer prices are stable. Milk output is strong in Utah and Idaho. Temperatures in the 80's are common and feed lots are drying very well. Field work is getting a very good start. Some concern is noted about milk volumes this spring and how to get it all processed in an efficient fashion.

MILK PRODUCTION PER COW



CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 04/23/98 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are unchanged in a weak market. The current light demand is not able to absorb the excessive supply. Some spot sales are occuring on low heat production, but high heat sales are more limited. Discounts on multi-load deals are common as sellers fight to stay competitive. Offerings from Central processors to the CCC under the price support program totaled 1,780,490 pounds last week. Production schedules are active as an increasing amount of manufacturing milk is entering the market.

Includes EXTRA GRADE and GRADE A, all heat treatments
NONFAT DRY MILK: 1.0200 - 1.0625 MOSTLY: 1.0275 - 1.0375

DRY BUTTERMILK - CENTRAL

Buttermilk prices are steady and nominal due to limited trading activity. Some interest has been noted, but sales are slow to occur. A few users are buying for storage and later use. Production levels are steady. Stocks are adequate for the current light demand.

BUTTERMILK: .9325 - .9675

DRY WHEY - CENTRAL

Prices are higher on the bottom end of the range indicating some price strength, but the mostly is unchanged. The market tone is unsettled. Very few discounts were reported and many believe that the market may have hit bottom last week. Sales activity is spotty and hand-to-mouth buying remains the primary choice among end users. However, the demand that has been generated allowed many producers to bring inventories back in balance. As a result, “normal” prices and premiums are common throughout the market again. Some sources are questioning the higher asking prices. Producer stocks are moderate and production schedules are active with an increasing amount of manufacturing milk available.

NONHYGROSCOPIC: .2150 - .2400 MOSTLY: .2200 - .2250

ANIMAL FEED WHEY - CENTRAL

Prices are slightly higher for milk replacer; steady for roller ground, standard, and delactose. All prices remain nominal. Market activity remains slow as many end users are comfortable with inventory positions. Resale and manufacturer offerings are abundant and being met with limited demand. Veal feeders are absorbing most of the sales as hog accounts remain slow. The delactose market is steady with increased sales to feed accounts rather than food processors.

MILK REPLACER:	.1850 - .2100
STANDARD:	.1700 - .2000
ROLLER GROUND:	.2400 - .2450
DELACTOSE (Min. 20% protein):	.3400 - .3675

LACTOSE - CENTRAL AND WEST

Prices and the market tone are unchanged. Buying interest is quiet. Few spot sales were reported as many producers focus on filling contracts. Production levels are steady and stocks range from moderate to heavier than desired. Continued reports of Japan’s recession and the Asian crisis are causing some concern with domestic exporters on how this will affect product demand and this year’s accounts.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
EDIBLE: .1800 - .2600 MOSTLY: .2100 - .2200

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged and the market undertone is softening. Demand is quiet, especially on the resale side. Sources indicate that many producers are at the average, but end users have shown limited interest. Some discounts have been negotiated to increase sales activity. Contacts also reported a large volume of feed grade WPC being offered at heavily discounted prices. Production levels are steady and stocks range from moderate to heavier.

EXTRA GRADE 34% PROTEIN: .5700 - .6200 MOSTLY: .6000 - .6050

NONFAT DRY MILK - WEST

Western nonfat dry milk prices are unchanged and the market tone remains weak. Offerings to the CCC under the price support program continue to be used by several producers in the region to balance inventories. Marketing through regular channels most often remains limited to contract committments. Spot interest is at best - spotty. Demand is being filled locally in other regions of the country at competitive prices. Demand for high heat powder is better and producers are moving sizable quantities to fill needs. Low/medium heat stocks remain in excess of current needs, but high heat powder is in better balance. During the week of April 13 - 17, 3,917,494 pounds of NDM were offered to the CCC under the support program.

Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.0100 - 1.0400 MOSTLY: 1.0200 - 1.0300
HIGH HEAT: 1.0450 - 1.0550

DRY BUTTERMILK - WEST

Buttermilk prices are unchanged and the market tone remains steady. Sales activity is generally light and has slowed in the past two weeks. Producers are not willing to drop prices to stimulate buying interest. Any demand is able to be filled by most producers in the region. Additional offerings are available from resellers and other regions. Condensed buttermilk movement is beginning to increase to ice cream accounts and drying schedules are declining. Demand is expected to increase as ice cream demand picks up seasonally. Stocks of dry buttermilk are steady with recent weeks.

BUTTERMILK: .9000 - .9400 MOSTLY: .9100 - .9300

DRY WHEY - WEST

Western whey prices range from steady to fractionally higher. More plants are able to produce good quality edible whey again this week. At least part of the problem with whey quality seems to have been related to the milk supply. This week, the industry is finding that they have quite a bit of cheese that is not in very good shape. Some of the cheese has only some slight defects, but some is in quite bad shape. The two quality issues, on both cheese and whey, seem to be related. Export sales are steady with normal shipments occurring. Some domestic orders were not fully filled last week and buyers hope to be able to cover their needs this week with the better whey available. Edible whey stocks are in close balance.

NONHYGROSCOPIC: .2200 - .2425 MOSTLY: .2250 - .2325

CALIFORNIA MANUFACTURING PLANTS

The weighted average price for Extra Grade and Grade A Nonfat Dry Milk for the seven day period ended April 17, on powder sales of 8,218,867 pounds f.o.b. California manufacturing plants was $1.0352 per pound. This compares to 11,708,251 pounds at $1.0349 for the previous week ending April 10, 1998. Prices for both periods were influenced by the effect of long-term contract sales. Compiled by the Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST and SOUTHEAST

Prices and the market tone are unchanged. There is a glut of milk throughout the Eastern region and plants are running at or beyond normal capacity and many trucks are lined up waiting to unload. The burdensome supplies of milk are surprise to some contacts. The surprise lies in the shear volumes available and how early in the year they have occurred. Dryers can't keep up with condensers and condensed skim as well as fluid milk is being cleared to plants that have processing capacity. In instances, Northeastern milk moved as far west as Minnesota and Southeastern milk cleared to plants in the Dakotas. Plant stocks are growing at most locations. Demand is unchanged and slow; buyers are not purchasing too far ahead.

NOTICE: Effective June 1, 1998, Dairy Market News, in response to industry request, is proposing to split the Northeast NDM prices into a low/medium heat range and a high heat range. Comments regarding this proposed change should be received no later than May 15. The Dairy Market News telephone number is 608-224-5085. Also, you may E-mail comments to Alan_T_Wagner@USDA.GOV.

Includes EXTRA GRADE and GRADE A, all heat treatments

F.O.B. NORTHEAST:	1.0200 - 1.1100	MOSTLY: 1.0300 - 1.0500
DELVD SOUTHEAST:	1.0550 - 1.0825	

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices and the market tone are unchanged. Production levels are occasionally heavier as churning activity increases. However, most Eastern butter/powder plants are "jammed" with milk and have little dryer time to process buttermilk. Plant stocks are light to moderate for the fair to improved demand.

F.O.B. NORTHEAST:	.9400 - .9600
DELVD SOUTHEAST:	.9400 - 1.0025

DRY WHOLE MILK - NATIONAL

Prices and the market tone are steady. Production levels are often light as plants are trying to process as much milk as they can as quickly as possible and drying skim takes less time than drying whole milk. Producer stocks are well balanced for the slow to fair spot demand. Some DEIP and contract orders continue to be filled.

F.O.B. PRODUCING PLANT:	1.3000 - 1.3700

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1997 THROUGH APRIL 17, 1998
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	-- 92,216	MT (203,371,441 LBS)
WHOLE MILK POWDER Program allocations filled	-- 7,487	MT (16,505,840 LBS)
CHEESE	-- 3,136	MT (6,913,626 LBS)
BUTTERFAT	-- 15,648	MT (34,497,580 LBS)

Allocations for the DEIP year beginning July 1, 1997, are: Nonfat dry milk - 92,217 MT; Whole Milk Powder - 7,487 MT; Cheese - 3,510 MT; Butterfat - 34,232 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are mostly unchanged and the market tone is steady. Some contacts are talking a little firmness back into the market, but demand is still reported as slow. With all the milk that is available in the East, cheese and dry whey production levels are heavy. Producer stocks range from balanced to adequate. This week, fewer producers are offering discounts to move product, however few are increasing premiums. Those that discontinued discounts are meeting some buyer resistance.

F.O.B. NORTHEAST:	EXTRA GRADE	.2175 - .2275
	USPH GRADE A	.2325 - .2450
DELVD SOUTHEAST:		.2400 - .2600

ANIMAL FEED WHEY - NORTHEAST

Prices remain too few to report. The market tone is still relatively weak. Dry whey production is heavier as cheese output, corresponding to milk volumes, has increased sharply in the past week or two. Buyers are still unaggressive and taking contracted volumes. Spot purchases are on an as needed basis.

F.O.B. NORTHEAST:	MILK REPLACER	TFEWR

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are heavier as producers take advantage of the heavy volumes and low-priced milk. Plants are in their "spring flush" mode which seems a little early this year. Stocks are building and demand is just fair and mostly for fill-in needs.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES	$22.50 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein prices are unchanged, although the market tone is weak. Buyers are comfortable with the outlook of stocks and availability. Sourcing countries have sufficient stocks to meet U.S. buyer interest. In New Zealand, their production season is coming to a close while in Ireland, the new production year is just starting. In both instances, traders indicate that stocks should be readily available.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.1000 - 2.1700
ACID:	2.0000 - 2.1000

FEDERAL MILK ORDER PRICE AND POOL HIGHLIGHTS

FEDERAL MILK ORDER MARKET SUMMARY FOR MARCH 1998. During March, about 9.9 billion pounds of milk were marketed under Federal orders. (Since significant volumes of milk that normally would have been pooled under Federal milk orders were not pooled in March 1997, the following comparisons involving producer deliveries have been estimated.). Producer deliveries were about 0.2 percent less than March 1997, and about 1.1 percent more than February 1998 on a daily average basis. Milk utilized in Class I products in March was 2.2 percent more than last year on an adjusted basis. Class I use this year represented 37 percent of producer milk deliveries compared to 45 percent in February 1997. The average blend price was $14.18 per cwt., $0.79 more than last year. Changes in class prices from year-earlier levels were as follows: Class I, up $1.31; Class II, up $1.31; Class III, up $0.32; and Class III-A, down $0.10.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF MARCH 1998

FEDERAL MILK ORDER MARKETING AREAS 1/	ORDER NO.	RECEIPTS AND UTILIZATION: RECEIPTS FROM PRODUCERS		RECEIPTS USED IN CLASS I		PERCENT USED IN CLASS I		PRICE AND BUTTERFAT DIFF.: BLEND PRICE 2/		BUTTER-FAT DIFF. 3/
		1998 TOTAL	CHANGE FROM 1997	1998 TOTAL	CHANGE FROM 1997	1998	1997	1998	1997	1998
		MIL. LB	PERCENT	MIL. LB	PERCENT	PERCENT		DOLLARS		CENTS
New England (Boston)	1	505.7	10.4	228.2	3.9	45	48	14.82	13.98	13.5
New York/New Jersey (NY City)	2	1,052.8	5.5	423.3	8.0	40	39	14.61	13.74	13.5
Middle Atlantic (Philadelphia-Baltimore/Washington, D.C.)	4	566.5	-6.5	230.7	-8.6	41	42	14.38	13.61	---
NORTHEAST REGION		2,124.9	3.0	882.2	2.1	42	42	14.60	13.76	13.5
Carolina (Charlotte)	5	259.5	2.2	207.6	15.1	80	71	15.77	14.31	13.5
Southeast (Atlanta/Birmingham)	7	559.0	11.7	416.2	22.9	74	68	15.56	14.26	13.5
Florida Markets (Tampa /Jacksonville/ Tallahassee/Miami)	12 4/	269.7	-2.9	226.5	0.7	84	81	16.41	15.12	13.5
SOUTHEASTERN REGION	5/	269.7	-2.9	226.5	0.7	84	81	16.41	15.12	13.5
Michigan Upper Peninsula (Marquette)	44	5.7	0.6	4.3	6.2	76	72	14.18	13.20	13.5
Southern Michigan (Detroit)	40*	366.9	-3.2	172.4	3.2	47	44	13.98	12.98	---
E. Ohio/W. PA (Cleveland/Pittsburgh)	36	292.6	-0.1	147.5	0.7	50	50	14.11	13.21	---
Ohio Valley (Columbus)	33	282.6	5.7	143.6	2.1	51	53	14.29	13.25	---
Indiana (Indianapolis)	49*	178.5	5.2	105.9	4.6	59	60	14.42	13.31	---
Chicago Regional	30*	1,396.1	36.6	218.9	-9.8	16	24	13.33	12.81	---
Central Illinois (Peoria)	50*	16.4	0	12.0	-4.2	73	76	14.39	13.35	13.5
S. Illinois-E. Missouri (Alton)	32*	187.5	1.8	90.7	2.7	48	48	14.24	13.20	13.5
Louisville-Lexington-Evansville	46	119.5	25.3	94.0	31.5	79	75	14.90	13.68	13.5
Upper Midwest (Minneapolis)	68*	986.6	21.2	137.0	4.0	14	16	13.12	12.62	---
Iowa (Des Moines)	79*	338.5	53.7	87.6	58.5	26	25	13.49	12.87	---
Nebraska/W. Iowa (Omaha/Sioux City)	65*	185.5	44.0	61.0	19.8	33	40	13.62	13.02	---
Greater Kansas City/E. S. Dakota	64 6/ 7/	45.4	3.1	---	---	---	---	14.95	13.68	13.5
MIDWEST REGION	5/	3,898.4	18.9	1,093.5	0.7	28	33	13.58	12.91	13.5

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF MARCH 1998

FEDERAL MILK ORDER MARKETING AREAS 1/	ORDER NO.	RECEIPTS AND UTILIZATION						PRICE AND BUTTERFAT DIFF.		
		RECEIPTS FROM PRODUCERS		RECEIPTS USED IN CLASS I		PERCENT USED IN CLASS I		BLEND PRICE 2/		BUTTER-FAT DIFF. 3/
		1998 TOTAL	CHANGE FROM 1997	1998 TOTAL	CHANGE FROM 1997	1998	1997	1998	1997	1998
		MIL. LB	PERCENT	MIL. LB	PERCENT	PERCENT		DOLLARS		CENTS
Southwest Plains (Oklahoma City)	106	247.3	-7.9	110.3	-9.3	45	45	14.58	13.67	13.5
Texas (Dallas)	126	622.7	-2.3	270.9	-1.1	43	43	14.62	13.66	13.5
SOUTHWEST REGION		870.0	-4.0	381.2	-3.6	44	44	14.61	13.66	13.5
E. Colorado/W. Colorado (Denver)	137 6/	140.4	-12.2	72.6	8.1	52	42	14.51	13.43	13.5
SW. Idaho/E. Oregon (Boise)	135	113.7	-53.2	15.5	2.9	14	6	13.13	12.54	---
Great Basin (Salt Lake City)	139	195.8	1.3	78.5	9.9	40	37	13.94	13.08	---
Central Arizona (Phoenix)	131	229.6	-2.5	85.5	-0.2	37	36	13.92	13.23	13.5
New Mexico-West Texas (Albuquerque)	138	198.8	-1.3	56.4	4.6	28	27	13.67	13.07	13.5
Pacific Northwest (Seattle/Portland)	124	556.5	-1.6	179.2	1.5	32	31	13.61	12.97	---
FAR WEST REGION		1,434.9	-10.3	487.7	3.8	34	29	13.76	13.01	13.5
COMP MKT. AVERAGE OR TOTAL	5/	8,597.9*	5.8*	3,071.1	1.0	36	37	14.05	13.31	13.5
ALL-MKT. AVERAGE OR TOTAL	7/ 8/ 9/	9,919.8*	5.9*	3,876.5	2.6	39	40	14.18	13.39	13.5
YEAR-TO-DATE AVG./TOTAL										
Northeast Region		6,054.1	3.3	2558.6	0.3	42	44			
Southeastern Region	5/	793.2	-2.7	674.1	0.9	85	82			
Midwest Region	5/	10,826.0*	22.5*	3,193.5	-2.5	29	37			
Southwest Region		2,370.1	-5.0	1,163.0	-3.7	49	48			
Far West Region		4,237.2	-8.1	1,423.6	0	34	31			
COMP MARKET AVERAGE OF TOTAL	5/	24,280.7*	7.3*	9,012.7	-1.2	37	40	14.18	13.08	----
ALL MARKET AVERAGE OR TOTAL	7/ 8/ 9/	28,073.4*	7.3*	11,355.5	-0.3	40	44	14.30	13.17	----

* Because of certain pricing situations in these markets, handlers elected not to pool an estimated 40 million and 600 million pounds of milk in March 1998 and 1997, respectively, that normally would have been pooled under these orders. The total estimated amount not pooled for this reason through the month of March are: for 1998, 375 million pounds; and for 1997, 2.4 billion pounds. If these volumes had been pooled, the following percent changes in producer deliveries would have resulted: for March, Midwest region +1.9, comparable market average -0.8, and all-market average -0.2; Year to date, Midwest region +0.8, comparable market average -0.9, and all-market average -0.3. 1/ Names in parentheses are principal cities and pricing points of markets. 2/ Prices are for 100 pounds of milk with a butterfat content of 3.5%. 3/ Amount by which the blend price is adjusted for each .1% that the butterfat content of a producer's milk varies from 3.5%. For example, if the butterfat content of the milk that a producer delivers to a regulated handler located in Boston (New England's market) is 4.0%, then the producer's blend price would be $15.50. (4.0 minus 3.5 equals .5; 5 times $.135 equals $.675; $14.82 plus $.675 equals $15.495.) 4/ Pool data are either a summation or weighted average of the Tampa Bay, Upper Florida, and Southeastern Florida marketing areas. The blend prices are for the Tampa Bay market. Blend prices for other markets are: Upper Florida: 1998, $16.88; 1997, $15.19; and Southeastern Florida: 1998, $16.96; and 1997, $15.70. 5/ Figures are based on the same group of comparable markets--markets where orders were in effect the entire period 1997-98 and for which the data were not affected significantly by marketing area changes. Data for Iowa and Greater Kansas City/Eastern South Dakota are no longer comparable; see 7/ and 9/. Due to the termination of the Tennessee Valley order on October 1, 1997, the data for Carolina, Southeast, and Louisville-Lexington-Evansville are no longer comparable and were excluded, where applicable. Most of the milk that would have been pooled under the terminated order was pooled under these three orders. 6/ Figures represent a combination of data for the indicated markets except for the producer blend prices which are for the first market listed. Blend prices for other markets are: Eastern South Dakota: 1998, $13.65; 1997, $12.93; and Western Colorado: 1998, $15.00; 1997, $13.61. 7/ Class I receipt and utilization data for the Greater Kansas City/Eastern South Dakota area are restricted, and are excluded from all-market figures. 8/ The data for January-September 1997 includes the Tennessee Valley marketing area; see 5/. 9/ Class I receipt and utilization data for the Iowa marketing area were restricted August-October 1997 and are excluded from all market figures.

MONTHLY COLD STORAGE REPORT - TOTAL U.S. STOCKS

NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated.

U.S. HOLDINGS OF DAIRY PRODUCTS

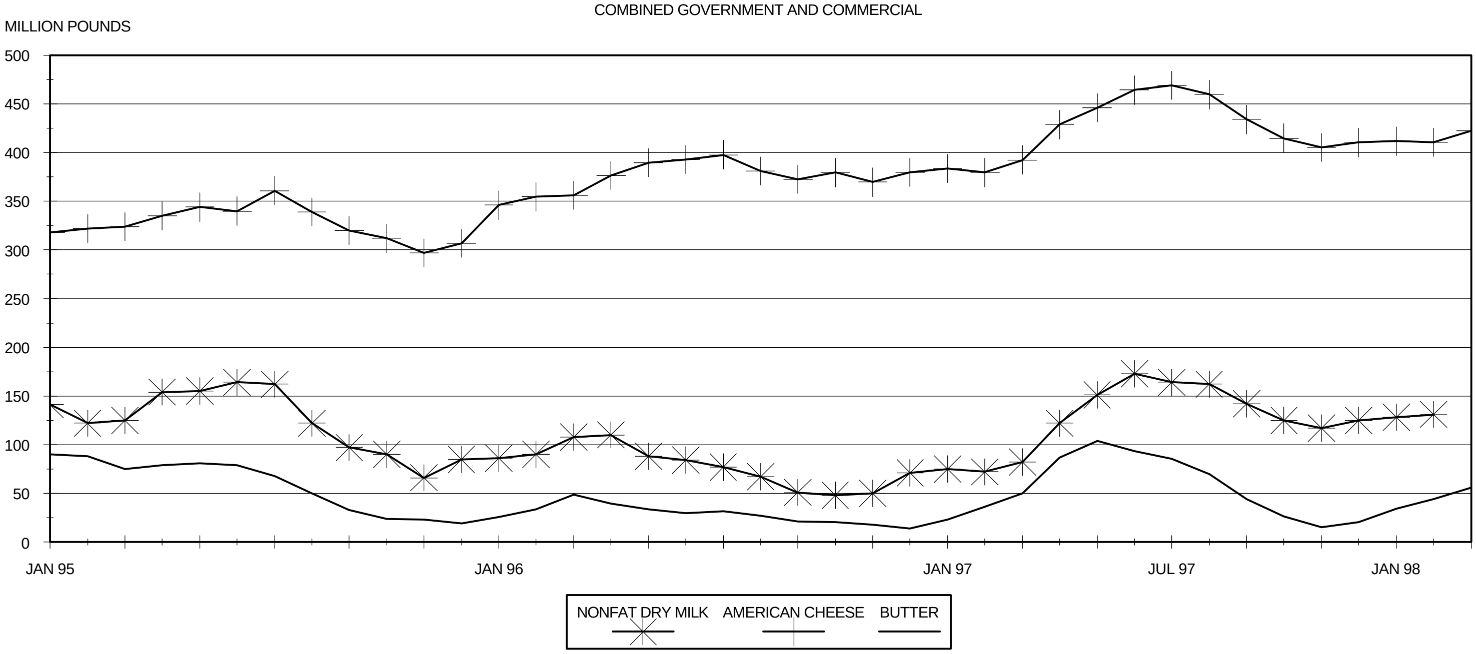
COMMODITY	FEB 28, 1996	FEB 28, 1997	REVISED FEB 28, 1998	MAR 31, 1996	MAR 31, 1997	MAR 31, 1998
Cream	1,349	---	---	1,359	---	---
Butter	33,670	35,976	44,199	48,704	50,286	56,220
Evap. & Cond. Milk	924	---	---	939	---	---
Cheese, Natural American	354,588	379,446	410,717	356,336	392,486	422,646
Cheese, Swiss	9,353	13,513	15,441	11,234	12,809	15,642
Cheese, Other Natural	119,102	101,663	83,350	130,740	111,735	84,905
GOVERNMENT OWNED COLD STORAGE HOLDINGS FOR THE U.S.						
Butter	3,512	347	127	1,308	364	262
Natural American Cheese	105	31	180	116	77	204

MARCH COLD STORAGE HOLDINGS BY REGION

REGION	Natural American Cheese			Butter			Other Natural Cheese		
	1996	1997	1998	1996	1997	1998*	1996	1997	1998
New England	13,701	17,214	22,126	4,591	4,606	---	94	262	115
Middle Atlantic	37,889	34,947	42,678	3,671	3,623	---	17,786	16,596	9,664
East North Central	200,653	222,186	232,701	6,021	22,888	---	99,896	78,396	67,000
West North Central	55,814	62,082	64,441	5,893	2,891	---	2,599	4,300	1,639
South Atlantic	230	230	243	1,370	1,064	---	4,005	5,029	522
East South Central	171	188	200	541	284	---	3,791	2,815	1,614
West South Central	773	1,572	260	22,164	500	---	144	291	146
Mountain	16,214	13,039	13,296	1,796	354	---	1,769	1,344	731
Pacific	30,891	41,028	46,701	2,657	14,076	---	656	2,702	3,474
TOTAL	356,336	392,486	422,646	48,704	50,286	56,220	130,740	111,735	84,905

*Regional breakdowns are not reported to avoid possible disclosure of individual operations.

COLD STORAGE HOLDINGS 1995 TO DATE
COMBINED GOVERNMENT AND COMMERCIAL



COMMERCIAL AND GOVERNMENT STORAGE HOLDINGS, JANUARY 1997 TO DATE

Month	Butter						Natural American Cheese						Nonfat Dry Milk					
	Total 1/		Commercial		Government		Total 1/		Commercial		Government		Total 1/ 2/		Commercial		Government 2/	
	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997
	Million Pounds						Million Pounds						Million Pounds					
January	34	23	34	23	3/	3/	412	384	412	384	3/	3/	128	75	104	75	24	3/
February	44	36	44	36	3/	3/	411	379	411	379	3/	3/	131	72	105	72	26	3/
March	56	50	56	50	3/	3/	423	392	422	392	3/	3/		82		81		3/
April		87		86		3/		429		429		3/		122		121		3/
May		104		103		1		446		446		3/		151		151		3/
June		94		93		3/		464		464		3/		173		173		3/
July		86		85		3/		469		469		3/		164		161		3
August		69		69		3/		459		459		3/		162		156		5
September		44		43		3/		434		434		3/		142		134		8
October		27		26		3/		415		415		3/		125		111		14
November		15		15		3/		405		405		3/		117		95		21
December		21		20		3/		410		410		3/		125		103		22

NA = Not available. 1/ Total may not add due to rounding. 2/ Includes instant nonfat dry milk. 3/ Less than 500,000 lbs.

COMMERCIALLY OWNED COLD STORAGE HOLDINGS FOR THE UNITED STATES 1/

Commodity	Feb 29, 1996	Feb 28, 1997	Feb 28, 1998	Mar 31, 1996	Mar 31, 1997	Mar 31, 1998
	Thousand Pounds					
Butter	30,158	35,629	44,072	47,396	49,922	55,958
Natural American Cheese	354,483	379,415	410,537	356,220	392,409	422,442

1/ Total holdings minus Government owned holdings. For more information, see page 9 of this report.

SOURCE: "Cold Storage," Co St 1 (4-98) and "Dairy Products," Da 2-6 (4-98), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Agricultural Stabilization and Conservation Service.

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF OF APRIL 20 - 24, 1998			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/97	SAME PERIOD LAST YEAR	PERIOD ENDING 04/17/98	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	483,600	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	483,600	-0-	-0-
NONFAT DRY MILK							
Nonfortified	4,649,165	119,048	4,530,117	53,706,398	-0-	-0-	-0-
Fortified	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	4,649,165	119,048	4,530,117	53,706,398	-0-	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 20 - 24, 1998 =	1.0	52.7
CUMULATIVE SINCE OCTOBER 1, 1997 =	11.8	625.1
CUMULATIVE JANUARY 1 - APRIL 24, 1998 =	10.1	533.7

	MILKFAT* BASIS	SKIM** SOLIDS
COMPARABLE WEEK IN 1997 =	0.0	0.0
CUMULATIVE SAME PERIOD LAST YEAR =	4.5	4.8
COMPARABLE CALENDAR YEAR 1997 =	4.5	4.8

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES SINCE 10/1/97 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
REGION	1997/98	1996/97	1997/98	1996/97	1997/98	1996/97	1997/98	1996/97
MIDWEST	-0-	-0-	-0-	483,600	4,647,658	-0-	8.7	100.0
WEST	-0-	-0-	-0-	-0-	48,948,565	-0-	91.1	0.0
EAST	-0-	-0-	-0-	-0-	110,175	-0-	0.2	0.0
TOTAL	-0-	-0-	-0-	483,600	53,706,398	-0-	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 1998

MANUFACTURING MILK: Average Test 3.67% - $10.05 per cwt.; 3.5% - $9.95

DOLLARS PER POUND

BUTTER: Bulk $.6500; 1# Prints $.6800

CHEESE: 40 & 60# Blocks $1.1150; 500# Barrels $1.0850; Process American 5# $1.1675; Process American 2# $1.2075

NONFAT DRY MILK: Nonfortified $1.0280; Fortified $1.0380; Instant $1.1855

Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 04/04/98 & Comparable Week 1997 1/ 2/)

											U.S. TOTAL		% DAIRY OF ALL	
Regions*	1	2	3	4	5	6	7	8	9	10	WEEK	SINCE JAN 1	WEEK	SINCE JAN 1
1998-Dairy cows HD (000)	0.3	1.4	6.3	5.0	20.1	2.7	2.7	1.1	10.6	3.6	54.0	794.0	49.1	49.3
1997-Dairy cows HD (000)	0.4	1.5	5.1	5.6	22.0	2.6	3.2	1.4	8.8	3.6	54.3	852.4	45.9	46.8
1998-All cows HD (000)	0.3	1.4	8.6	15.5	28.0	14.5	17.5	5.9	12.0	6.2	110.0	1,610.0		
1997-All cows HD (000)	0.4	1.6	7.0	17.1	29.3	14.2	19.3	10.0	12.1	7.2	118.2	1,821.3		

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CCC MARKET PRICE INVITATIONS (POUNDS) 4/10

	JUNE DELIVERY
PROCESS	
2# PROCESS LOAF	831,600
5# PROCESS LOAF	475,200
PROCESS SLICED	871,200
MOZZARELLA	
MOZZARELLA	403,200
MOZZARELLA, LMPS	1,088,640
SHREDDED LITE MOZZARELLA	40,320
CHEDDAR	
BLOCKS	119,850
CHEDDAR CUTS	79,900
BARRELS	80,000
REDUCED FAT - SHREDDED	153,600

OFFERS ARE DUE APRIL 21. PUBLIC RELEASE OF AWARDS WILL BE 4:00 PM CDT APRIL 24.

CUMULATIVE TOTAL CHEESE PURCHASES SINCE 10/1/97 = 43,811,645

CUMULATIVE TOTAL NDM PURCHASES SINCE 10/1/97 = 85,979

BASIC FORMULA PRICE (BFP), MAY 1995* TO DATE & HISTORIC M-W (3.5% BF, $/CWT.)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38
1995	11.35	11.79	11.89	11.16	*11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83	12.96	13.29
1998	13.25	13.32	12.81									